

additional deficit another 20,000 jobs lost in this country.

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And nobody in Washington really cares.

Another article, "Dollar Declines Still Further on News of Trade Gap," and it talks in the New York Times, "United States Trade Deficit Soars to Record, Mexico Worsens Problem."

Today the value of the U.S. dollar dropped again on international markets, and today it was also reported that our Nation's trade imbalance in January dropped 68 percent, got 68 percent worse, the largest ever in a single month in the history of this Nation, another 20,000 jobs, times 20,000, times 20,000, \$12 billion of additional deficit, more lost jobs in this country in sectors that the newspapers tell us are very clear in telecommunications, another 30,000 jobs will be lost, in electrical machinery, in office computing machines, the places where we would like to put people who still remain on welfare and are not working, into good jobs, will not be there. The numbers are telling us this.

We know that the wages and buying power of our people have not gone up for 20 years, and we know that thousands and thousands of jobs are being eliminated across this country at companies like Boeing, which is going to lay off another 7,000 workers, and companies like Fisher Price in New York who just announced several hundred more workers out, but do you think anybody here in Washington really hears or understands what is going on?

And there is a major continental economic crisis here in North America that nobody is really talking about in this Chamber caused by NAFTA that is already causing market instability and is going to have far reaching economic consequences for our Nation and for Mexico, lower wages, higher interest rates, a worsening trade situation for our Nation with more lost sales and jobs and a deluge of cheap Mexican imports coming into our market. Five billion dollars from our Treasury has already gone down to Mexico, and another 15 billion scheduled as soon as it can be drawn down.

Does the Contract on America say anything about America's economic plight? No.

Does it say anything about what I have just discussed? No.

The blame is all put on welfare recipients, the majority of whom work in my district. What a shame.

WELFARE—A SPIDER WEB OF BUREAUCRACY

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 5 minutes.

Mr. HOEKSTRA. Mr. Speaker, I followed the debate very closely during the day today and actually all of this week as we have been debating welfare

reform, and it is amazing to me that, as much as everybody says that we need change, there is also such a strong effort to support the status quo, to support a failed welfare state, a welfare state that in the name of compassion we funded a system that is cruel and, experience has shown us over the last 40 years, has been destroying the American family. We have a failed welfare state. Welfare spending now exceeds over \$305 billion per year, \$5 trillion since 1965. Three hundred five billion dollars is roughly three times the amount needed to raise all poor Americans above the poverty line.

What kinds of results have we seen? Since 1970, Mr. Speaker, the number of children in poverty has increased by 40 percent, the juvenile arrest rate for violent crimes has tripled since 1965, and since 1960 the number of unmarried pregnant teens has nearly doubled and teen suicide has more than tripled.

Next week, Monday, in my Subcommittee on Oversight and Investigations of the Committee on Economic and Educational Opportunities we may take a look at why all of this spending and why all of this bureaucracy in Washington has failed to deliver the kind of results that we all would have wanted to see for America, and I think what we are going to see is that what we have developed is we built off of a system that inherently is wrong. We have the right motivations, but we have developed a system that cannot deliver the kind of results that need to be delivered.

I have a couple of charts here, and what we are going to be doing on Monday in the subcommittee is we are going to have members of the subcommittee, as well as staff, break into different groups and actually go through the process of applying for the benefits of 19 different welfare programs, and I think we are going to find that the process that the poor and those in poverty face and what they take a look at in Washington is a spider web of bureaucracy, regulations, mandates, and a system that just does not work for them.

In the House of Representatives we have 10 committees, 20 subcommittees, that take a look at all of these programs. When you take a look, and I do not know how well it will show up tonight, but this is the spider web and the confusion that we see here between the House and the Senate of different kinds of programs that affect children and families. Certain committees have responsibility for income subsidies, social services, health, housing, nutrition, education, and training. This is what we want to attack in the Republican bill.

We are not going after women and children. We want to get benefits to women and children. We want to actually go through and tear up this bureaucracy in Washington and actually deliver results and benefits back to them and back to women and children so that we do not end up eating the dollars here in Washington.

We need a new process, a new focus, a focus on women, children, and families, not a focus on bureaucracies, and bureaucrats, and rules and regulations here in Washington. We are going to go through these 19 programs, and they are only a small sample of the many programs and many different bureaucracies that we have here in Washington.

In the next chart that we are going to develop that we will not have an opportunity to take a look at on Monday, but will be to take a look at it from the user standpoint, the people that are supposed to be getting these benefits, the ones that we are supposed to be lifting and helping up out of poverty.

There has been discussion tonight earlier that we need more job training programs, we need more money and more programs for child care. The problem is not programs. The problem is not dollars as we are working off a failed model and a failed system.

PROFILE OF WELFARE RECIPIENTS IN OUR COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 5 minutes.

Mr. FAZIO of California. Mr. Speaker, there has been a tremendous amount of discussion about welfare in the last couple of days, and we all understand the welfare system has to change. But sometimes I think many of us have a different concept of the welfare system, who is on welfare, how they got there and how they get off, and perhaps the facts would document. So I thought perhaps in my brief time tonight I would speak a little bit to the profile of recipients in our society.

There are some five million families on Aid to Families With Dependent Children, but I think many people are shocked to know that two-thirds of the people who are benefited by that program are children. There is also, I think, some stereotypical beliefs about who in our society is on welfare: 38.9 percent of all the beneficiaries of AFDC are white, 37.2 percent are African-American, and 17.8 percent are Hispanic. The average family size is only 2.9 people.

There is an assumption, I think, on the part of many of our constituents that AFDC is a very remunerative source of income. The facts do not really buttress that assertion. The average monthly benefit is \$373 per month. That is less than \$4,500 a year, and I might say that in 1970, in current dollars, the average monthly benefit was \$300 a month more, \$676 a month. We have seen a decline in real dollars of \$300 a month in the last 25 years.

Of course some States are more generous. In the contiguous 48 States, Mr. Speaker, New York has a \$703 per month average benefit; Mississippi,

\$120 a month, which goes, I think, to the issue of attempting, as we debate this bill, to establish some national norms so that people are not solving their economic problems when they are poor by moving from one State to another.

People, I think, have a misimpression of what welfare contributes to our overall budget. I hear people estimating that it may range close to 40 to 50 percent of what we spend at the Federal level. In fact, \$13.8 billion is total Federal spending for AFDC. That is less than 1 percent of the Federal budget, and, if you add in State spending, it only comes to \$25 billion, State and Federal, across the country, an average of \$156 for each American taxpayer.

There is also, I think, an assumption in our rhetoric that those people who are on AFDC are somehow all teenagers, and we are all concerned about young girls becoming pregnant and becoming welfare recipients, but in fact in 1993 only 1.2 percent of AFDC mothers were under 18 years of age. In fact only 7.6 percent were under 20. In fact many people are surprised to learn that 11.8 percent are over 40. There is no question that there are misimpressions about who it is that is on the welfare rolls.

I think it may be even more impressive though to realize that AFDC is not a safety net without holes. In fact the safety net is frayed. Of all poor children in our society, only 40 percent of them are on AFDC. In fact 60 percent of the poor children in this country benefit. Forty percent are still out there struggling to find basic sources of income to put a roof over their heads.

Why are people on welfare? Divorce or separation amounts to 45 percent of all the people who end up, chiefly women, on welfare, and you have heard the gentlewoman from California [Ms. WOOLSEY] talk about her 3-year experience on welfare as a result of her divorce. It is not an uncommon phenomenon. Only 30 percent of the people on welfare get there because, in fact, they were unmarried when they had a child. Twelve percent, as the gentlewoman from Ohio indicated in her comments, are on welfare simply because the earnings of the single mother fall, making them eligible, giving them the additional incentive of getting health care for their children.

But why do people leave the welfare rolls? Thirty-five percent through marriage, 21 percent because the mother earns more income and can afford to leave, 14 percent because of a rise in other benefits, chiefly food stamps, and 11 percent because children grow and leave the home and the mother is no longer eligible. Not enough leave the welfare rolls because of employment, because of the opportunity to work.

It is important, I think, to point out that child support is chiefly available to upper income women. Unmarried mothers above the poverty level who get child support from their fathers

amount to 43 percent. For poor women it is only 25 percent.

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REMOVAL OF NAME OF MEMBER AND REQUEST OF MEMBER ON SPECIAL ORDERS LIST

Mr. FOX of Pennsylvania. Mr. Speaker, I would make a unanimous consent request that I be able to substitute for the gentleman from California [Mr. RIGGS] on this time.

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from Pennsylvania [Mr. FOX] asks unanimous consent to go out of order.

Is there objection?

There is no objection.

CHANGES IN WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I think the ladies and gentlemen of this House have to realize if you want real change the Republican proposal provides the real change.

Able-bodied people who are on welfare want to be off welfare. In fact, under our proposal, they will have, through job counseling, job placement and job training, the opportunity to have real jobs that are meaningful to help their families.

More than that, our food and nutrition programs, despite what you may have heard from those who would not tell all the facts, realize that in the next five years 4.5 percent per year food and nutrition programs will be increased for our students across the United States.

What we are going to do is we are eliminating 15 percent of the administrative costs the Federal Government normally would expend. We are sending it to the States that can better administer the program, and we are capping their administrative costs at 5 percent.

That 10 percent that would have gone to wasteful bureaucratic expenditure is going to feed more children more often all across these United States in every single State. This is a compassionate and caring program that the Republican majority has presented.

In addition, we have a nationwide system for tracking the child enforcement. Under amendments we passed today that will, hopefully, will be adopted in the final bill, we will be able to make sure that we have more of the child support go to our children to make sure they are fed, to make sure they are clothed better than any other system we have had.

In the State of Maine, they have made sure that they have the collection of child support where you have a parent in one case or another not paying the child support by making sure that we have a system that says, "If you don't pay your child support, you

are going to lose your driver's license." That threat of loss of a driver's license has made sure that the Maine system has really been a model for the country.

Here we have a possibility to make meaningful change under the Republican proposals, a tax cut that is meaningful, a \$500 tax cut for families with children. We are going to have deficit reduction more than we have ever had, and we are going to have spending reductions.

We have had an out-of-control Congress up until this point, but this 104th Congress has the opportunity in a bipartisan manner for real change.

Beyond the line-item veto, beyond the balanced budget amendment and having the prohibition of unfunded mandates, we are going to have with welfare reform the first real opportunity to make sure we spend less on bureaucrats and we spend more on people.

This is a compassionate Republican proposal which I believe will have bipartisan support, as most of our Contract items have. I think if people read through the rhetoric and move away from the scare tactics, they will realize that the welfare reform, that the reform for America in this Contract With America is the best plan possible and one that is meaningful.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Ms. FURSE] is recognized for 5 minutes.

[Ms. FURSE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. NEAL] is recognized for 5 minutes.

[Mr. NEAL of Massachusetts addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mrs. LOWEY] is recognized for 5 minutes.

[Mrs. LOWEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

[Mr. DURBIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.